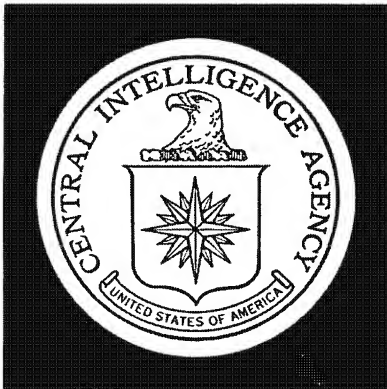


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C O N T E N T S

(Information as of 1200 EST)

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Vietnam
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Situation report.

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GENERAL

Vietnam

Two hundred rounds of mortar fire was directed at US defensive positions in the Loc Ninh area on 1 November, marking the fourth consecutive day of action around Loc Ninh. Although only one American was wounded, the attack is indicative of an intent to maintain heavy pressure against South Vietnamese Army district headquarters and a Special Forces camp in the area.

US Marines just below the Demilitarized Zone ended Operations KINGFISHER, ARDMORE, and FREMONT on 31 October. They were followed by three new operations in the same area. KINGFISHER, the operation which developed into a defensive battle centered on the Con Thien outpost, cost 340 US killed and over 1,600 evacuated with wounds since it began in mid-July. The Marines claim over 1,000 enemy killed. Operation LANCASTER with two Marine battalions and KENTUCKY with four is now under way in the Con Thien area. ARDMORE, in the Khe Sanh area of western Quang Tri Province, and FREMONT, west of Hue, resulted in 27 US and 236 enemy killed since mid-July. They have been replaced by Operations SCOTLAND and NEOSHO.

Police interrogation of a female Viet Cong captive has uncovered evidence of a Communist unit in the Saigon-Cholon area which appears to have as its main objective the assassination of Chinese who have cooperated in some way with the government. The captive, Phung

Ngoc Anh, is an ethnic Chinese who was a member of the armed propaganda unit of the Confederation of Liberation Trade Unions until her capture on 19 September. She says the unit was also directed to kill three Americans at random each month. Anh admitted personal responsibility for the murders of several Americans, for which she was dubbed the "Dragon Lady" by the press.

Anh was captured after an assassination attempt against Chung Tao, press attaché of the Chinese Nationalist Embassy in Saigon. She has indicated that the principal object of her own unit's attentions is the Chinese community in Cholon. The 12-member unit is made up entirely of ethnic Chinese residing in Cholon, except for its "steering" cadre, and its chief victims have been Chinese. Chung Tao was to be assassinated, Anh testified, because it was believed he was furnishing Chinese-language newspapers in Saigon with information detrimental to the Communists. Other victims described by Anh included two ethnic Chinese policemen and other Chinese who had cooperated with the government. It is not known whether the unit is connected with the assassinations of well-known Chinese educators, newspaper editors, and businessmen which have occurred since Anh's capture. All other members of her unit are still at large.

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